

## Article - Real Property

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§11A–108.

(a) Time-shares shall terminate at the end of the term of the time-share plan as set forth in the time-share instrument. Prior to the termination date in the time-share instrument, all time-shares in a time-share project may be terminated only by agreement of the time-share owners of at least 80 percent of the time-shares, or such larger percentage as the time-share instrument may specify.

(b) An agreement to terminate all time-shares in a time-share project must be evidenced by a termination agreement executed in the same manner as a deed, by the requisite number of time-share owners. The termination agreement must specify a date after which the agreement will be void unless recorded. An executed termination agreement is effective only when recorded in the land records of every county in which a portion of the time-share project is situated.

(c) Foreclosure or enforcement of a lien or encumbrance against all time-shares in a time-share project does not terminate the project unless the lienor elects that the project be terminated and the advertisement of foreclosure or enforcement sale so provides.

(d) (1) The termination agreement may provide for the sale of time-share units and designate a trustee to effect a sale so long as the proceeds of the sale are distributed to individual time-share owners less a sales commission of 5 percent and reasonable sales expenses to be paid to the trustee. On the termination date, the interests of a time-share owner vests in the trustee for the benefit of owners. Proceeds from a sale shall be distributed in the normal order of priority to creditors, lienholders, and to time-share owners in proportion to their shares as provided in the termination agreement or as provided in paragraph (4) of this subsection if the termination agreement does not establish proportionate shares.

(2) On or after the termination date, any owner of a time-share may maintain an action for partition or for allotment or sale in lieu of partition.

(3) Except as otherwise provided in the termination agreement, a time-share owner's right to occupy a time-share unit continues until the termination sale occurs.

(4) If the termination agreement does not specify the respective time-share owner shares in the time-share project, within 180 days prior to the termination date an appraisal must be made of the fair market value of each time-

share as of the date of the termination sale by an appraiser designated in the termination agreement or by the trustee. The appraisal shall be sent to each time-share owner. The appraisal determines the value of each time-share owner's interest unless at least 25 percent of the owners disapprove in writing within 60 days after the appraisals are sent or the final judgment of a court prevents the appraisal from being used to determine a value.

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